



## *Standard of Operation*

### *Reporting of Accidents and Incidents*

<b>DOCUMENT NUMBER:</b>	<b>AOI – SO – RAI - 001</b>
<b>Rev:</b>	<b>A</b>
<b>Date:</b>	<b>21 August 2020</b>

#### **Revision History**

<b>Rev</b>	<b>Date</b>	<b>Reason for Issue</b>	<b>Prepared</b>	<b>Checked</b>	<b>Approved</b>

#### **Revision Control**

<b>Revision:</b>	<b>Para /Sect</b>	<b>Change Description</b>

### 1 Introduction

Africa Oil Corp. is a Canadian oil and gas company with a diversified African portfolio. The Company is listed on the Toronto Stock Exchange and Nasdaq Stockholm under the symbol “AOI”. Africa Oil has transitioned to a full cycle E&P growth vehicle with production, cashflow, world-class development as well as significant exploration upside. The Company’s portfolio includes proposed development (Kenya Lokichar Basin), production (~~Kenya and~~ Nigeria Deepwater) and exploration (Kenya, South Africa and Deepwater Equity Investment) assets.

This document describes the Standard of Operation that Africa Oil requires to be implemented for its operated assets and which it will use with its Operating Partners on non-operated assets to ensure, as far as practicable, that activities are conducted in line with Africa Oil expectations.

### 2 Objectives

The objectives of this Standard are to:

- Define the scope of activities;
- Outline applicable standards, requirements and procedures;
- Define roles and responsibilities;
- Define training requirements;
- Define monitoring requirements; and
- Define performance reporting procedures.

This Standard defines the minimum requirements for the conduct of activities at projects and assets in which Africa Oil is either the Operator or is in a Non-Operated Joint Venture.

### 3 Scope

Application of this Standard is mandatory on all Africa Oil operated assets and Africa Oil will use this Standard with its Operating Partners on non-operated assets to ensure, as far as practicable, that activities are conducted in line with Africa Oil expectations.

This Standard applies to all Africa Oil activities (acting as Operator or in a Non-Operated Joint Venture) throughout the life of all Projects or Assets when on-site activities have commenced.

While the intent is that the Standard is applicable to all Africa Oil activities, it is recognised that in situations where Africa Oil s has a minority non-operating interest in a Project or Asset is less than 25%, it may not be possible to exercise an appropriate level of influence over the Operator to ensure full conformance with this Standard. Nonetheless, it is expected that Africa Oil will use reasonable efforts to assure itself that the Operator is undertaking its activities in broad conformance with this Standard.

This standard is intended to ensure all incidents associated with business-related activities or Company property, including near misses, hazards, occupational illness and asset-integrity related hazards are reported, categorised, investigated, analysed and recommended corrective actions implemented to minimise impact, prevent recurrence and improve effectiveness of operations management systems.

## Reporting of Accidents and Incidents

### 4 Standard of Operation

The Incident Reporting Matrix below sets out the minimum required information to be provided to Africa Oil by an Operator in the event of different categories of incidents. The same reporting requirements are applicable internally for Africa Oil activities or operated assets.

All notifications of Category 3 incidents and other Operator reports should be addressed to the Africa Oil Chief Operating Officer as a minimum.

**Table 1 Incident Reporting Matrix**

Incident Category	Incident Description	Action Required
<b>Category 3</b>	<p>A significant incident that leads to one or more of the following:</p> <ul style="list-style-type: none"> <li>• Fatality (Operator staff, contractor worker or community member);</li> <li>• Environmental spill or release that requires Tier 3 emergency response;</li> <li>• Community incident that requires an armed response or leads to a stoppage of work for more than one working day.</li> </ul>	<p>The Operator will notify Africa Oil of all Category 3 Incidents as soon as reasonably possible and within 1 business day. The notification will include all information set out in the Incident Notification Procedure.</p> <p>The -Operator will provide Africa Oil with a summary of any Incident Report prepared.</p>
<b>Category 2</b>	<p>An incident that does not lead to stoppage of activities, but which comprises one or more of the following:</p> <ul style="list-style-type: none"> <li>• Serious injury requiring medical evacuation or hospital treatment (Operator/Project staff, contractor worker or community member);</li> <li>• Sustained breach of regulatory limits, permit or licence conditions that requires mandatory reporting to regulatory authorities;</li> <li>• Environmental spill or release that requires Tier 2 emergency response;</li> <li>• Community incident which leads to a suspension of activities at one or more sites for more than one week;</li> <li>• Court cases where Operator is a defendant;</li> <li>• Any industrial action.</li> </ul>	<p>The Operator will notify Africa Oil of all Category 2 Incidents as part of its monthly EHS Report.</p> <p>The Operator will include in the monthly EHS Report, a summary of the findings of any Incident Report prepared and set out measures implemented to reduce the likelihood of similar events occurring in the future.</p>

## Reporting of Accidents and Incidents

Incident Category	Incident Description	Action Required
Category 1	Incidents which do not fall within either Category 2 or Category 3.	Notification to Africa Oil through monthly or quarterly EHS reports of LTIs, LTIFR, Environmental Compliance and Community Incidents.

### 4.1 Incident Reporting Procedure

The Incident reporting procedure for Category 3 incidents will include the following steps and associated reporting:

- Initial reporting of the incident
- Initiate the investigation
- Conduct the investigation
- Issue the investigation report
- Communicate the lessons learnt

Africa Oil will require this procedure to be followed by all Operated and Non-Operated assets and for Africa Oil to be kept informed throughout the process.

## 5 Roles and Responsibilities

### 5.1 Ownership of the Standard

Overall responsibility for implementation of the Standard rests with the Africa Oil Chief Operating Officer.

### 5.2 Operator Responsibilities

The Operator shall, as a minimum, be responsible for reporting all incidents in accordance with this Standard. In a Non-Operated Joint Venture, the parent company [of the Operator](#) will be responsible for ensuring that incident reporting procedures are in place and are undertaken in line with this Standard.

Where the Operator has one or more projects underway, incidents, associated with the [relevant asset project](#) will be reported to Africa Oil through the asset reporting line. It shall be the asset's responsibility to ensure that this happens.

Assets shall review local legislative requirements with respect to incident reporting, investigation and analysis and establish appropriate controls to ensure compliance.

The Operator will establish the following:

- Procedures for incident reporting, investigation and analysis aimed at identifying the facts and circumstances related to the event(s), finding the root causes, developing and implementing controls & recommended corrective actions, learning lessons and preventing the recurrence of similar events;
- A list of personnel that are trained as incident investigators;

## Reporting of Accidents and Incidents

- Access to at least one person who is competent to undertake root cause analysis.

### 5.3 Africa Oil Responsibilities

Africa Oil will cooperate and coordinate with the Operator to the extent required following the notification of an incident.

Africa Oil will use the Incident Reporting Matrix to provide any necessary updates or reports to its shareholders. Specifically, the International Finance Corporation will be notified by Africa Oil in accordance with the Incident Reporting Matrix following the reporting of incidents by the Operator.

Africa Oil will establish and maintain an incident reporting database to record details of accidents and incidents reported under this Standard. The Africa Oil ESG Manager will be the custodian of the incident reporting database.

## 6 Training

Africa Oil will ensure that its staff are appropriately trained in the requirements of this Standard. The Operator will be responsible for this appropriate training of its staff.

## 7 Monitoring

Unless a Category 3 incident is reported, Africa Oil will require the Operator to report on performance monthly as part of ongoing EHS reporting.

Africa Oil will assess on an annual basis that the Operator has appropriate and fit for purpose incident and accident monitoring procedures in place to meet the expectations set out in this Standard.

## 8 Key Performance Indicators

Key Performance Indicators (KPIs) for the effective implementation of this Standard are set out below.

**Table 2 Key Performance Indicators**

ID	KPI	Target	Monitoring measure
RAI-KPI-01	Number of identified non-compliances with accident and incident reporting measures identified in this Standard.	Minimise and target zero	Monthly EHS reports submitted
RAI-KPI 02	Number of Category 3 incidents not reported by the Operator to Africa Oil within the specified timeframe	Minimise and target zero	Review Category 3 incident notifications

## 9 Document Control

This Standard is owned by the Africa Oil Chief Operating Officer.

This Standard will be reviewed on a two-yearly basis.